

Chapter NR 346

DREDGING CONTRACT FEES

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NR 346.01 Purpose. These rules are promulgated pursuant to ss. 30.20 (2) (a) and 227.11 (2) (a) and (b), Stats., to establish a commercial and noncommercial class of dredging projects, to provide for bonding and to establish procedures applicable to the removal of material from the beds of natural lakes and outlying waters for which a contract is required between the state of Wisconsin and the person desiring to remove bed material. Implementation of these rules will also provide for protection of the public interest in the natural lakes in Wisconsin during the execution of dredging contracts.

History: Cr. Register, September, 1980, No. 297, eff. 10-1-80; correction made under s. 13.93 (2m) (b) 7., Stats., Register, October, 1995, No. 478.

NR 346.02 Applicability. All removal of bed material from the beds of natural lakes and the natural bed portions of raised lakes regulated by s. 30.20 (2) (a), Stats., must involve a contract between the person removing the material and the state of Wisconsin. The contract is required because the beds of natural lakes are owned by the people of the state of Wisconsin. The department of natural resources administers the trust interest in the beds of natural lakes on behalf of Wisconsin citizens. Definitions and procedures set forth in this rule will identify the contract consideration required for the sale of different types of bed material.

History: Cr. Register, September, 1980, No. 297, eff. 10-1-80.

NR 346.03 Definitions. (1) “Application fee” means a fee required by s. 30.28, Stats., consisting of a basic \$10 fee plus a supplemental fee ranging from \$5 to \$65 in proportion to the project cost.

(2) “Bed material” means all earth, muck, sands and gravels, clays, marl, stones and boulders lying below the ordinary highwater mark of natural lakes.

(3) “Bonds” means surety or performance bonds guaranteeing performance of a contract or obligation. The amount of the bond is related to the restoration cost required to eliminate dangerous conditions or adverse environmental conditions caused by the improper removal of bed material from the bed of a natural lake.

(4) “Commercial removal fee” means a fee related to the commercial value of natural lake bed material proposed for use in a commercial venture equal to the royalty paid to owners of similar upland commercially valuable materials.

(5) “Natural lake” means any navigable, nonartificial body of water in a depression of land or a navigable, nonartificial widening of a river characterized by the general absence of any noticeable current from its inlet to its outlet. For purposes of this chapter, the term natural lake includes that portion of a raised lake that would exist in the absence of the artificial raising of the lake.

(6) “Noncommercial removal fee” means a minimal fee of \$1 required as consideration for natural lake bed material removal projects where the material has no commercial value.

(7) “Outlying water” means Lakes Superior and Michigan, Green Bay, Sturgeon Bay, Sawyer’s Harbor, and the Fox river from its mouth up to the dam at DePere.

(8) “Removal of bed material” means the excavation of materials by any means from the bed of a natural lake for the purposes

of enhancement of a portion or all of the aquatic environment or for the purpose of gaining commercially valuable materials.

History: Cr. Register, September, 1980, No. 297, eff. 10-1-80.

NR 346.05 Fees. (1) Permit application fees shall be paid in accordance with the specifications in s. 30.28, Stats., and this chapter.

(2) Except as provided in sub. (3), a fee of \$1 shall be charged for the removal of bed material from natural lakes.

(3) A fee will be charged for commercially valuable materials to be removed from the bed of a navigable lake. The fee will be equal to the royalty paid to owners of upland in the immediate vicinity of the natural lake in question for materials similar to those materials which are to be removed from the bed of a navigable lake. Current royalty prices for upland materials shall be obtained from commercial operators active in the project vicinity.

History: Cr. Register, September, 1980, No. 297, eff. 10-1-80.

NR 346.06 Bonding. (1) A performance or surety bond may be required for noncommercial removal projects regulated by this chapter. The bond amount shall be equal to the estimated cost for restoration of dangerous conditions or undesirable environmental conditions as determined by the department caused by incomplete or improper removal of bed materials from the project site or for removal in excess of volumes authorized. The maximum bond amount shall not exceed the estimated project cost. In determining the need for a bond the department shall consider the potential for creating unsafe conditions, environmental sensitivity of the project site, the qualifications of the applicant or contractor and potential for removal in excess of authority.

(2) A performance or surety bond shall be required for commercial removal projects. The amount of the bond shall be determined by the department on the basis of the methods of removal, project site conditions, project size, project duration and the qualifications of the applicant or contractor.

History: Cr. Register, September, 1980, No. 297, eff. 10-1-80.

NR 346.07 Procedure. (1) FEE SCHEDULES. (a) Application fees shall be submitted as a part of a complete application for a contract to remove material from the beds of natural lakes. The application fee shall be remitted to the applicant if the requested dredging contract is denied.

(b) Noncommercial fees shall be submitted by the applicant upon receipt of the contract from the department.

(c) Commercial removal fee shall be submitted in annual installments based upon the charge specified in the contract per cubic yard times the number of cubic yards of material removed under the contract for that calendar year. Quantities removed will be measured in its original position, computed by the method of average end areas, with no correction for curvature, or by the method of truncated prisms.

Note: The methods of measuring the amounts of bed material removed during commercial projects were obtained from, “State of Wisconsin, Department of Transportation, Division of Highways, Standard Specifications for Road and Bridge Construction, Edition of 1975, Section 208.4 Method of Measurement”, page 103.

The following excerpt from, “Elementary Surveying, 5th Ed.”, by Russell C. Brinker, pages 477 & 478, presents formulas for the methods of calculation specified by the Wisconsin department of transportation and incorporated in NR 346.

End-areas formulas. The volume between 2 vertical cross sections A1 and A2 is equal to the average of the end areas multiplied by the horizontal distance L between them. Thus:

$$V_e = \frac{L(A_1 + A_2)}{2} \text{ cu. yd.}$$

This formula is approximate and gives answers which generally are slightly larger than the true prismoidal volumes. It is used in practice because of its simplicity. Increased accuracy is obtained by decreasing the distance L between the 2 sections. When the ground is irregular, cross-sections must be taken closer together.

Prismoidal formula. The prismoidal formula applies to the volumes of all geometric solids which can be considered prismoids. Most earthwork volumes fit this classification but relatively few of them warrant the precision of the prismoidal formula, which is:

$$V_p = \frac{L(A_1 + 4A_m + A_2)}{6}$$

where V_p = volume;

A_1 and A_2 = areas of successive cross-sections taken in the field;

A_m = area of a section midway between A_1 and A_2 ;

L = horizontal distance between A_1 and A_2 .

(2) BONDS. (a) Bonds in the amount specified in the contract received by the applicant shall be secured by the applicant and submitted to the department of natural resources prior to any removal of material by the applicant on the contract issued by the department.

(b) Upon the successful completion of the dredging contract the applicant shall request a release from the bonding requirements. The department shall inspect the dredging site. If the department determines that the contract has been satisfactorily completed, the department will advise the applicant and bonding company that the bond may be canceled.

History: Cr. Register, September, 1980, No. 297, eff. 10-1-80.

NR 346.08 Enforcement. (1) If the department determines that the dredging contract has not been properly completed, it may initiate action to cause the applicant or applicant's agents to comply with the terms of the contract.

(2) For dredging contracts with bonds where the applicant refuses to perform the requested remedial work, the department may require the bonding company or its agent to either perform the required remedial work or pay the amount of the bond to the department. The department, in its discretion, shall either complete the remedial work or contract for the completion of such work.

(3) If the department determines that the dredging project has not been properly completed, and there is no bond, the department may initiate an abatement action pursuant to s. 30.03, Stats., to cause the applicant to restore the project site to comply with the terms of the contract, and forfeiture if the department thinks a forfeiture is appropriate.

History: Cr. Register, September, 1980, No. 297, eff. 10-1-80.

NR 346.09 Municipal dredging projects. Dredging from the beds of natural lakes by municipalities defined in s. 291.01 (12), Stats., may be done with no compensation to the state if the material dredged is for a municipal purpose and not for resale.

History: Cr. Register, September, 1980, No. 297, eff. 10-1-80; correction made under s. 13.93 (2m) (b) 7., Stats., Register January 2002 No. 553.